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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/629,589	07/31/2000	Ashvin Bonafede Chhabra	JPM-002	4299

7590 01/27/2004

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EXAMINER

PWU, JEFFREY C

ART UNIT PAPER NUMBER

3628

DATE MAILED: 01/27/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/629,589

Applicant(s)

CHHABRA ET AL.

Examiner

Jeffrey Pwu

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE ____ MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 2/4/2003 amendemnt.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-20 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-20 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. §§ 119 and 120

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. ____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.
- 13) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application) since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.
a) ☐ The translation of the foreign language provisional application has been received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121 since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) ____.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). ____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

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DETAILED ACTION

1. This action is responsive to amendment, filed 2003-02-04

Claim Rejections - 35 USC § 102

2. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(e) the invention was described in-

(1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effect under this subsection of a national application published under section 122(b) only if the international application designating the United States was published under Article 21(2)(a) of such treaty in the English language; or

(2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that a patent shall not be deemed filed in the United States for the purposes of this subsection based on the filing of an international application filed under the treaty defined in section 351(a).

3. Claims 1-20 are rejected under 35 U.S.C. 102(e) as being anticipated by Eder (U.S. 6,321,205).

Eder teaches:

- 1) A method, with the aid of a digital computer, of determining the probability a user (20) will achieve at least one financial goal expressed as one or more cash outflows over a first plurality of periods, comprising:

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(a) identifying a set of assets for said user, said assets associated with a market value (abstract; 20; col.5, lines 2-37);

(b) establishing a criterion for success (col.1, line 18-col.4, line 67);

(c) simulating a plurality of market scenarios on said assets, each said scenario adjusting said market value of said assets for each said period (col.7, line 65-col.17, line 16);

(d) applying said cash outflows for each period for each said plurality of market scenarios (col.13, lines 34-col.14, line 24); and

(e) checking for a second plurality of periods, for each said scenario, whether said market value satisfies said criterion for success (col.13, lines 34-col.37, line 20).

2) The method of claim 1, further comprising: calculating the probability said user will achieve said at least one financial goal, said calculated probability being a function of the number of said plurality of simulated market scenarios that satisfy said criterion for success (claims 1-16).

3) The method of claim 2 wherein said probability is a function of the number of scenarios which satisfy said criterion for success for said second plurality of periods (col.13, lines 34-col.37, line 20).

4) The method of claim 3 wherein said second plurality of periods comprise each of said first plurality of periods (col.13, lines 34-col.37, line 20).

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5) The method of claim 3 wherein said second plurality of periods comprise a predetermined number of periods of said first plurality of periods, whereby periods which do not satisfy said success criterion more than said predetermined number of periods before a final period do not decrease said calculated probability (col.13, lines 34-col.37, line 20).

6) The method of claim 3 wherein said calculated probability comprises a decaying function (col.13, lines 34-col.37, line 20).

7) The method of claim 6 wherein said calculated probability comprises a decaying function based on a predetermined set of periods (col.13, lines 34-col.37, line 20).

8) The method of claim 1 further comprising: computing an expected distribution of wealth based on said plurality of scenarios (col.13, lines 34-col.37, line 20).

9) The method of claim 1 further comprising: categorizing said assets by asset type, said categorization creating a plurality of asset groups, said simulation of market scenarios being applied on an asset group basis, whereby all assets within a group are treated identically (col.13, lines 34-col.37, line 20).

10) A method, with the aid of a digital computer, of determining the probability that a plurality of financial goals will be met based on a set of probabilistic return assumptions, comprising:

(a) receiving said plurality of financial goals on said computer (abstract; fig.1);

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- (b) converting said plurality of financial goals into cash flows (abstract; fig.1);
- (c) receiving, on said computer, a set of financial assets for said client (abstract; fig.1);
- (d) applying said probabilistic return assumptions to said financial assets on a periodic basis (col.13, lines 34-col.37, line 20); and
- (e) determining the statistical probability that said cash flows will be satisfied on a periodic basis (claim 1-16 and col.13, lines 34-col.37, line 20).

11) A method, with the aid of a digital computer, of determining the probability that a financial goal expressed as a cash outflow will be met, comprising:

- (a) identifying a set of assets, said assets associated with a market value (abstract; figs.1-12);
- (b) establishing a criterion for success, said criterion for success associated with a plurality of periods (col.13, lines 34-col.37, line 20);
- (c) simulating a plurality of market scenarios on said assets, each said scenario adjusting said asset market value of said assets for each said period (col.13, lines 34-col.37, line 20);
- (d) applying said criteria for success to each said scenario (col.13, lines 34-col.37, line 20);
- and
- (e) calculating the probability said criteria for success will be satisfied (claims 1-16).

12) The method of claim 11, wherein said criterion for success is an absolute criterion (col.13, lines 34-col.37, line 20).

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13) The method of claim 11, wherein said criterion for success is a relative criterion (col.13, lines 34-col.37, line 20).

14) The method of claim 12, wherein said criterion for success has a memory (col.13, lines 34-col.37, line 20).

15) The method of claim 12, wherein said criterion for success has a decaying memory (col.13, lines 34-col.37, line 20).

16-20) A computer system for determining the probability that a financial goal expressed as a cash outflow will be met, comprising:

(a) a database (50) including:

(I) a set of assets associated with a user, said assets associated with a market value (fig.1);
and

(ii) a criterion for success associated with said user, said criterion for success associated with a plurality of periods (col.13, lines 34-col.37, line 20); and

(b) a programmed processor (120, 130) configured to:

(I) simulate a plurality of market scenarios on said assets, each said scenario adjusting said market value of said assets for each said period (col.13, lines 34-col.37, line 20);

(ii) apply said criteria for success to each said scenario (col.13, lines 34-col.37, line 20); and

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(iii) calculate the probability said user will satisfy said associated criteria for success (claims 1-16).

Response to Arguments

4. Applicant's arguments filed 2/4/2003 have been fully considered but they are not persuasive.

In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., modeling whether financial goals will be met) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., the number of paths that satisfy all intermediate goals and thresholds may decrease with increased volatility) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

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Applicant argues that the Eder reference does not show “checking for a second plurality of periods, for each said scenario, whether said market value satisfies said criterion for success” or “establishing a threshold criterion for success or checking for a plurality of periods whether the criterion is satisfied”. In contrary, Eder discloses “An automated system (100) and method for evaluating the probable impact of user-specified or system generated changes in business value drivers on the other value drivers, the financial performance and the future value of a commercial enterprise. Value drivers are identified using search algorithms and induction algorithms that define the value drivers associated with each element of the enterprise. After identifying enterprise value drivers the system completes a detailed valuation of the firm using predictive models to determine the relative impact of each value driver on the overall valuation. The detailed valuation results are then used to define a financial simulation model such as a Markov Chain Monte Carlo model. The financial simulation model then analyzes the impact of user specified changes in value drivers on financial performance or generates a list of recommended changes to value drivers that achieve a user specified financial goal”. (Abstract)

Firstly, all that it is claimed is a method of achieving a financial goal by establishing a criterion for success using statistical projection and probabilities. Eder reference discloses the claimed invention by using a financial simulation model “Monte Carlo Simulation” to

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establish a threshold criterion for success at col.3, lines 17-col.5, line 11. Eder reference further discloses a “INPUT WEIGHTS” limitation on figs. 10-11. Also see “asset valuation”, “market valuation” and “business valuation” in order to establish criterion thresholds for business success.

Eder also discloses the limitation “checking for a second plurality of periods, for each said scenario, whether said market value satisfies said criterion for success” at col.24, lines 34-col.25, line 58. And fig.10. Input layer-702, input variables (or nodes), hidden nodes.

Conclusion

5. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no

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event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

6. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Jeffrey Pwu whose telephone number is (703) 308-7835.



21 January 2004

JEFFREY PWU
PRIMARY EXAMINER